

# The University of Vermont Health Network FY 2022 Budget Proposal

Green Mountain Care Board  
August 25, 2021

# Introductions

- John R. Brumsted, MD, President & CEO, UVM Health Network
- Rick Vincent, CFO, UVM Health Network
- Al Gobeille, COO, UVM Health Network
- Marc Stanislas, VP of Treasury & Financial Services, UVM Health Network
- Steve Leffler, MD, President & COO, UVM Medical Center
- Judy Peek-Lee, CFO, UVM Medical Center
- Anna Noonan, RN, President & COO, Central Vermont Medical Center
- Kimberly Patnaude, CFO, Central Vermont Medical Center
- Tom Thompson, President & COO, Porter Medical Center
- Scott Comeau, CFO, Porter Medical Center

# What we intend to cover today

- Our mission, strategic vision, and major initiatives in support of that vision
- Who we are and where we are in our integration as a Network
- How we have weathered the challenges of 2020 and 2021
- Our plan to continue our financial recovery and how we perform against external benchmarks
- How our net patient revenue (NPR) growth compares to our population growth
- The unique opportunities and challenges at UVM Medical Center, Central Vermont Medical Center, and Porter Hospital
- Summary of our budget proposal and why it is reasonable and necessary

# UVM Health Network

Who we are and what we are committed to achieving

# UVM Health Network mission and vision

To improve the health of the people in the communities we serve by integrating patient care, education and research in a caring environment



Working together, we improve people's lives

# What is the UVM Health Network?

## An Integrated Health System

- We provide primary, secondary, and tertiary care
  - Academic Medical Center
  - 5 Community Hospitals
  - FQHC Partner
  - Home Health & Hospice
  - Network Medical Group

## A Network of Essential Providers

- We serve 1 million people in Vermont and New York
- We had more than 38,000 inpatient discharges and 1.1 million outpatient encounters\* in FY 2020
- We had more than 41,000 inpatient discharges and 1.3 million outpatient encounters\* in FY 2019
- We employ or contract with 1,400+ physicians: 1,138 specialists and 279 primary care providers
- We maintain 1,200 licensed inpatient beds

## Leaders in Health Care Payment and Delivery Transformation

- We are moving to value-based payment
- We are working to fill gaps in care delivery and access, and building capacity to manage care
- We are creating efficiencies across our Network



Hudson Headwaters Health Network has 18 sites in Clinton, Saratoga, Warren, Essex, and Hamilton Counties in the State of New York.

\*Outpatient encounters do not include UVMHN Home Health & Hospice visits.

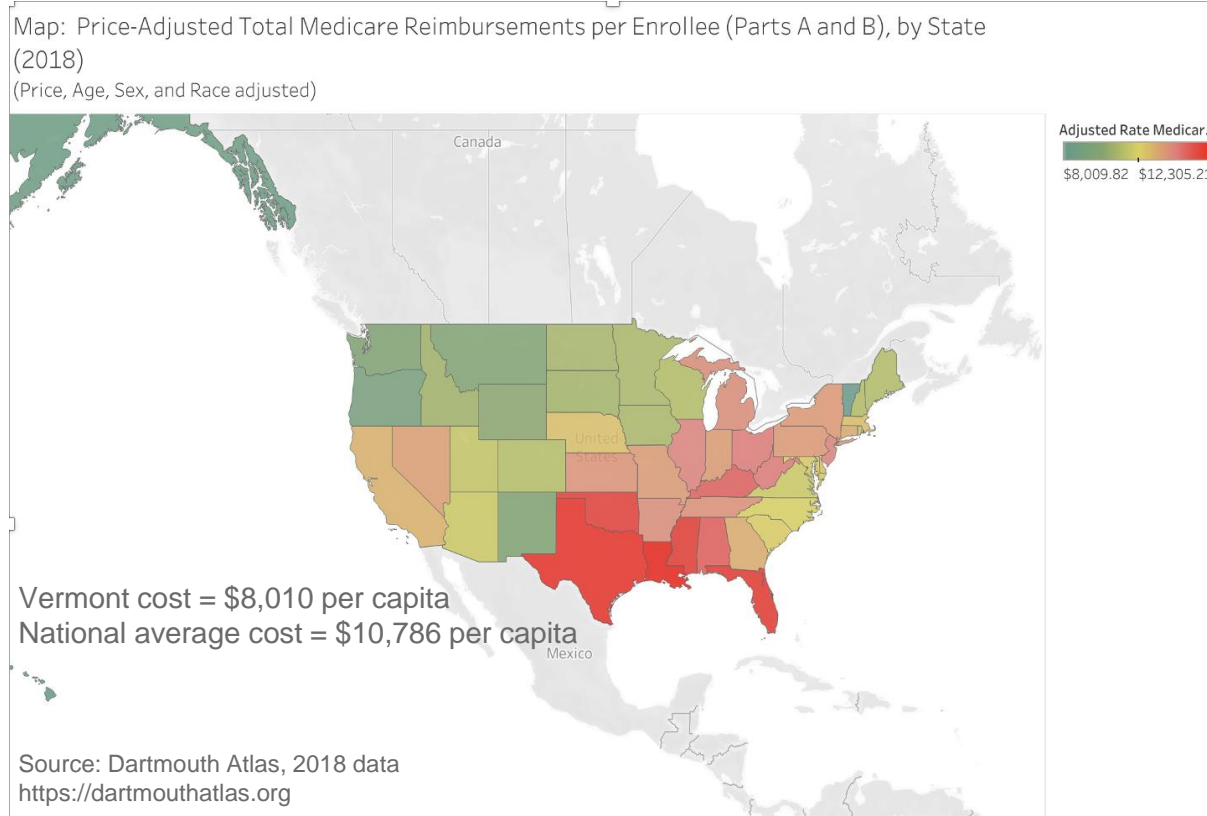
# Progress to date

- Network integration
- Expense management
- Care management
- Electronic health record installation and integration
- Value-based payment
- Access to care
- Workforce
- Academic integration

# Leading health care delivery and payment transition

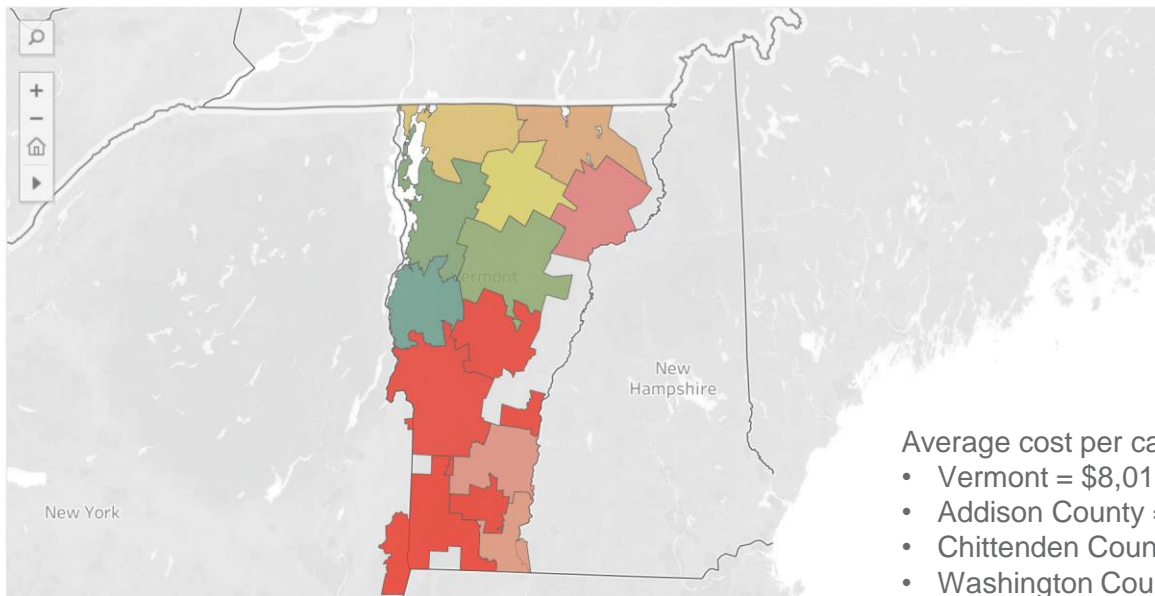
- Working to address our service areas' most pressing gaps in care delivery and access
- Delivering care in the appropriate lowest acuity, lowest cost settings
- Investing in our staff and facilities so that we can recruit, retain, and support a first-rate workforce
- Investing in better access to mental health services
- Moving to value-based care
- Increasing our capacity to coordinate and manage care for our patients

# Vermont is the lowest-cost state in the nation for the Medicare program



# Chittenden, Washington, and Addison are the lowest-cost counties within Vermont for the Medicare program, and Addison is among the five lowest-cost counties in the country

Map: Price-Adjusted Total Medicare Reimbursements per Enrollee (Parts A and B), by HSA  
(2018)  
(Price, Age, Sex, and Race adjusted)



Average cost per capita:

- Vermont = \$8,010
- Addison County = \$5,743
- Chittenden County = \$6,446
- Washington County = \$6,701

Source: Dartmouth Atlas, 2018 data  
<https://dartmouthatlas.org>

**And we continue to compare well on measures of quality and access, while we know we have room for improvement**

## Ranking Highlights

	2020 RANK	CHANGE FROM BASELINE
Overall Ranking	6	-2
Access and Affordability	4	-1
Prevention and Treatment	4	+10
Avoidable Hospital Use and Cost	15	+2
Healthy Lives	17	-11
Disparity	14	-8
Medicaid Expansion (as of Jan. 2018)	Yes	

Source: Commonwealth Fund, Vermont Rankings

National rank out of 51

# Network focus on diversity, equity, and inclusion

- Our people
- Our community
- How we deliver health care

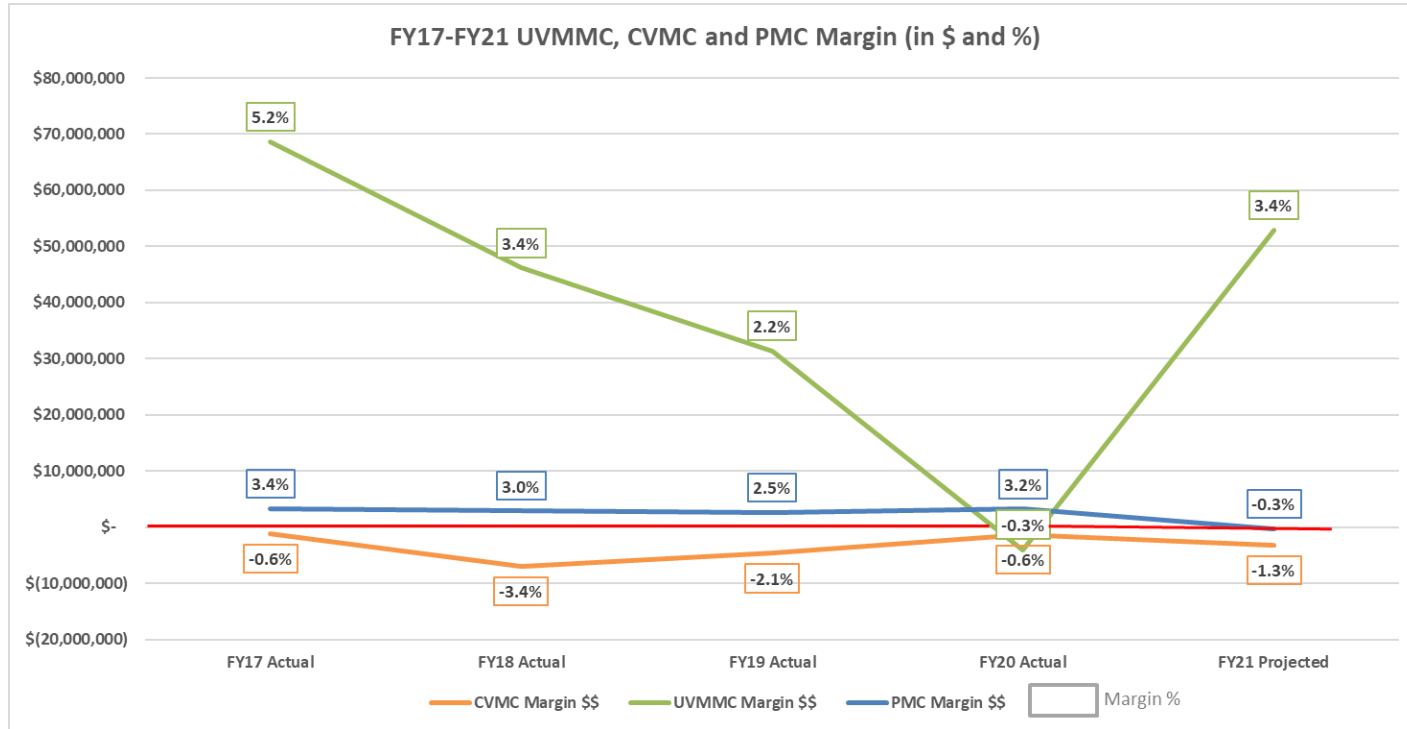
# Challenges of 2020 and 2021

The background of the slide is a solid dark green. Overlaid on this are three thick, curved lines. A white line starts on the left, dips slightly, and then rises towards the right. A light green line follows a similar path but is positioned below the white line. A dark green line starts lower on the left and curves upwards more steeply, crossing the other two lines as it moves towards the right edge of the frame.

# Challenges

- COVID-19
  - Lost revenue from reduced patient volume
  - Expense control and management
  - Supply chain impacts
  - Testing
  - Vaccination
- 2020 cyberattack
- Staffing shortages
- Fanny Allen

# Stressed margins, accelerated by COVID-19, were offset by federal and state relief funds



# Federal and state COVID-19 relief funds

Stimulus & Relief Funds Recognized as Revenue	FY2020				FY2021				Total FY2020 & FY2021			
	Federal	State	Other	Total	Federal	State	Other	Total	Federal	State	Other	Total
UVM Medical Center	\$31,299,153	\$45,319,530	\$36,748	\$76,655,432	\$45,354,464	\$38,363,608	\$2,177,921	\$85,895,994	\$76,653,617	\$83,683,139	\$2,214,669	\$162,551,426
Central VT Medical Center	\$17,383,734	\$7,853,671	\$83,279	\$25,320,684	\$431,432	\$1,261,700	\$49,247	\$1,742,379	\$17,815,166	\$9,115,371	\$132,526	\$27,063,063
<u>Porter Hospital</u>	<u>\$6,051,571</u>	<u>\$1,748,704</u>	<u>\$126,679</u>	<u>\$7,926,954</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$6,051,571</u>	<u>\$1,748,704</u>	<u>\$126,679</u>	<u>\$7,926,954</u>
<b>Total</b>	<b>\$54,734,458</b>	<b>\$54,921,905</b>	<b>\$246,706</b>	<b>\$109,903,070</b>	<b>\$45,785,896</b>	<b>\$39,625,308</b>	<b>\$2,227,168</b>	<b>\$87,638,373</b>	<b>\$100,520,354</b>	<b>\$94,547,214</b>	<b>\$2,473,874</b>	<b>\$197,541,443</b>

# COVID-19 response

- The Network, in collaboration with the Vermont Department of Health, was asked by the Governor to take on the statewide triaging of all COVID-19 tests; our Department of Pathology and Laboratory Medicine worked tirelessly to meet the ever-expanding testing needs of our state's COVID-19 response
- The Network became one of the primary purchasers for the State of Vermont for personal protective equipment (PPE) and established resource distribution protocols for scarce statewide resources
- The Network, in collaboration with all Vermont hospitals and Dartmouth-Hitchcock, developed and instituted a Patient Transfer Center (PTC) to allow for the swift and timely movement of COVID-19 patients; this action, under the authority of the State of Vermont, was instrumental in developing the statewide surge plan
- With the goal of vaccinating up to 2,000 Vermonters a day, the Network created mass vaccination clinics offsite in Berlin, Middlebury, and at the fairgrounds in Essex Junction; to date, the Network has administered more than 139,000 doses of the COVID-19 vaccine
- The three Network vaccination sites have contributed to Vermont's No. 1 ranking in the country for percentage of vaccinated residents

# 2020 cyberattack

- Incident details
  - Initiated through a phishing attack against remote employee's personal email and entered the rest of the network through a virtual private network (VPN) connection
  - Targeted encryption of the server virtualization backend and deployment of persistence malware to endpoints
  - No data access or exfiltration attempts
- Response and corrective actions
  - Worked with Vermont National Guard and contracted forensic experts for full response, remediation, recovery, and forensic investigation
  - Authorized VPN users significantly reduced, with remaining authorized users migrated to a hardened VPN configuration
  - Completed deployment of an advanced firewall agent to remote employees to prevent access to personal services on work computers
  - Implemented advanced application firewall for full layer 7 security beyond web access
  - Implemented Next Generation Anti-Virus (NGAV) and Endpoint Detection Response (EDR) with overwatch 24/7 threat hunting services
  - Consolidated all Information Security Roadmap projects under a single program through the Project Management Office with an assigned Program Manager

# Information Security program overview

- Operates as a Shared Service for the UVM Health Network
- Organized around three pillars
  - Cybersecurity engineering
    - Develops cybersecurity architecture, implements and manages cybersecurity technology, and consults with other IT teams on securing technology
  - Cybersecurity operations
    - Monitors for cybersecurity events/incidents, conducts incident response and investigation procedures, and evaluates environment for technical threats and vulnerabilities
  - Risk and awareness
    - Identifies and tracks cybersecurity risks, facilitates risk treatment and acceptance procedures, and educates staff on cybersecurity risks and best practices

# Benchmarks guiding our return to solid financial footing

The background of the slide is a solid dark green. Overlaid on this are three thick, curved lines. A white line starts on the left, dips slightly, and then rises towards the right. A light green line follows a similar path but is positioned below the white line. A dark green line starts lower on the left and rises more steeply, crossing the other two lines as it moves towards the right edge of the frame.

# Key financial metrics

- **Operating Margin**: Indicates the profit or loss an organization is generating from its core operations. Hospitals need to generate a positive operating margin to survive; they cannot rely on investment income or other non-operating revenue streams to meet the needs of their communities.
- **Earnings Before Interest Depreciation and Amortization (Operating EBIDA Margin)**: Indicates the cash flow an organization is generating from its core operations. This is measured by operating margin with non-cash expenses removed. This metric is among the most important to our rating agencies and our overall financial stability.
- **Days Cash on Hand**: Measure of liquidity. Higher levels, within reason, are better, as it means an organization has the funds to reinvest in the community, and has the reserves to weather unexpected negative impacts to its operating EBIDA margin.
- **Long Term Debt to Capitalization Ratio**: Indicates how much debt an organization has compared to its overall equity. Lower is generally better, as an organization with a higher ratio means they are carrying too much debt.
- **Average Age of Plant**: Indicates the average age of facilities, equipment, and other capital assets. Lower is better, as a higher number indicates a need to reinvest in the organization before assets become obsolete. This number fluctuates more from year to year than the metrics above based on the timing of large facilities projects.

# UVM Health Network financial framework

- Five year projection that gets updated every January
- Sets operating margin and operating EBIDA margin targets used for annual budget process
- Projects days cash on hand with how much we need to keep in reserves (at least at DCOH target) and how much can be used for capital spending
- Projects if/when we will have additional debt capacity (debt to capitalization ratio at least at target) to utilize to fund capital spending
- Assuming financial targets are achieved, determines the amount of capital we have available to spend each year (amount of capital spend impacts average age of plant metric)
- Achieving framework metrics allows continued access to care, so that care of Vermonters stays in Vermont

# Benchmarks and UVM Health Network financial framework targets

	A Rating				UVMHN Framework Target			
	Fitch	Moody's	S&P	Benchmark Range	UVMHC	CVMC	PMC	Weighted Avg VT Hospitals
Operating Margin	2.8%	2.8%	1.5%	1.5% - 2.8%	3.2% - 3.9%	2.2% - 2.6%	2.2% - 2.6%	3.0% - 3.6%
Operating EBIDA Margin	8.9%	9.0%	7.3%	7.3% - 9.0%	8.0% - 9.5%	5.3% - 6.4%	5.3% - 6.4%	7.5% - 9.0%
Days Cash on Hand	232	213	246	213 - 246	224 - 269	149 - 179	149 - 179	210 - 252
LT Debt to Capitalization	33.2%	32.3%	27.4%	27.4% - 33.2%	27.4% - 33.2%	27.4% - 33.2%	27.4% - 33.2%	27.4% - 33.2%
Average Age of Plant	11.5	11.3	11.5	11.3 - 11.5	11.3 - 11.5	11.3 - 11.5	11.3 - 11.5	11.3 - 11.5

AAMC COTH Pre-Pandemic		
25th %ile	Median	75th %ile

Operating Margin                      2.0%                      5.0%                      9.0%

Academic Medical Centers (AMCs) that are part of a system have better financial metrics than their non-AMC affiliates which brings up the average of the system

Lower end of target range is at risk of a downgrade, higher end represents financial stability

Operating margin target is higher than benchmarks due to low current capital spend, as capital spending increases, will incur more depreciation expense, which will lower our target in future years to be in line with benchmarks

## Example: Impact of capital spending on operating margin vs. operating EBIDA margin and why operating margin target is currently higher than benchmarks

	Year 1	Year 2	Year 3	Year 4
Total Revenue	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000
Operating Expenses	\$ 92,000,000	\$ 92,000,000	\$ 92,000,000	\$ 92,000,000
Interest / Depreciation / Amortization Expenses	\$ 4,000,000	\$ 4,500,000	\$ 5,000,000	\$ 5,500,000
Operating Margin	\$ 4,000,000 <b>4.0%</b>	\$ 3,500,000 <b>3.5%</b>	\$ 3,000,000 <b>3.0%</b>	\$ 2,500,000 <b>2.5%</b>
Operating EBIDA Margin	\$ 8,000,000 <b>8.0%</b>	\$ 8,000,000 <b>8.0%</b>	\$ 8,000,000 <b>8.0%</b>	\$ 8,000,000 <b>8.0%</b>

# Performance against UVM Health Network financial framework targets

FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Projected	FY22 Budget
----------------	----------------	----------------	----------------	----------------	-------------------	----------------

## Operating EBIDA Margin

UVMHC	11.5%	10.5%	8.0%	6.9%	5.4%	8.4%	8.1%
CVMC	6.4%	4.3%	1.2%	2.2%	4.0%	2.1%	4.2%
PMC	6.8%	7.8%	6.7%	6.0%	8.0%	2.9%	5.9%
<b>Weighted Average</b>	<b>10.6%</b>	<b>9.6%</b>	<b>7.1%</b>	<b>6.2%</b>	<b>5.3%</b>	<b>7.3%</b>	<b>7.5%</b>

= below framework target range

= within framework target range

= exceeding framework target range

## Days Cash on Hand

UVMHC	208	222	205	172	174	209	186
CVMC	104	122	106	91	116	112	110
PMC	80	93	123	126	155	134	139
<b>Weighted Average</b>	<b>188</b>	<b>201</b>	<b>188</b>	<b>159</b>	<b>166</b>	<b>193</b>	<b>174</b>

## LT Debt to Capitalization Ratio

UVMHC	37.8%	36.6%	34.6%	32.0%	31.8%	30.9%	29.7%
CVMC	18.5%	16.7%	13.5%	11.4%	18.9%	15.3%	12.1%
PMC	37.9%	32.3%	27.3%	25.3%	21.4%	19.4%	18.3%
<b>Weighted Average</b>	<b>35.3%</b>	<b>33.8%</b>	<b>31.5%</b>	<b>29.0%</b>	<b>29.6%</b>	<b>28.3%</b>	<b>26.8%</b>

## Average Age of Plant

UVMHC	12.0	12.9	13.6	13.7	11.9	12.7	13.1
CVMC	9.4	10.2	10.8	13.0	15.7	15.3	16.1
PMC	11.5	12.0	13.3	14.4	14.9	15.6	13.5
<b>Weighted Average</b>	<b>11.6</b>	<b>12.5</b>	<b>13.2</b>	<b>13.7</b>	<b>12.5</b>	<b>13.2</b>	<b>13.5</b>

# Significance of A rating

- 90% of all S&P rated hospital systems have an A rating or greater
- Indicates the system has the financial capacity to care for its community and to keep pace with future scientific advancements in medicine
- Indicates the system has the financial stability to weather unexpected events
- Ensures an organization has access to capital markets and enjoys lower interest rates to be able to support future investments
- Rating agencies have made it clear that the UVM Health Network needs to get back into the 7% to 9% operating EBIDA margin range or risk a downgrade
- A downgrade would be a powerful message that the finances of the organization will not support the critical investments we need to make in our facilities, technological advancements, or our people, and would indicate a state of decline and put our mission to serve our community at risk

NPR growth and commercial rate increase

# NPR budgeting process

FY2021 Budget	+/-	Changes from FY2021 Budget				+/-	FY2022 Expense Inflation	=	FY2022 Budget			
		Base YTD Actual: October - January	+/-	Adjustments to Base	+/-					Changes in Utilization	+/-	Physician Acquisitions
<u>Based on a set of assumptions</u> > Payer mix > Payment rates: Current rates Changes to current rate trends Payer policy changes  Impact of payer increases Estimates for APM Free Care/Bad Debt > Volume/Utilization > New/Replacement Provider Start Dates  <u>Notable Items:</u> > Epic Conversion November 2019 > First wave of COVID-19 > COVID-19 capacity planning > Build up of Telemedicine Capacity		<u>Foundation of Payment Model</u> > Establishes payer mix relationships > Bases for actual rates > Mix/Acuity of Services > Volume trend by service area  <u>Notable Items:</u> > Cyberattack Fall 2020 > Second wave of COVID-19 > Vaccine Administration		<u>Estimate &amp; Calculate Impact</u> > Feb-Dec rate impacts > Payer policy changes > One-time/Non-Recurring Items > APM Budget is known > Cyberattack: high level allocations to payer detail > Cyberattack: high level allocations to payer detail  <u>Notable Items:</u> > Because of Cyberattack November was based on high level accruals. Payer detail was not clean until February with payment adjudication out to May, making it difficult to do analytics at payer level. > Pay back of Medicare Advance funds		<u>Estimates:</u> > Volumes build from bottom up > Changes from YTD Actual > Post COVID-19 volume return > impacts of COVID-19 > New/Replace Provider starts  > Changes in APM Covered Lives > Population movements  <u>Notable Items:</u> > Built from cost center up > Gross revenue proxy for volume > Payment rates for services Inpatient - top of hospital Outpatient - top of hospital Professional - cost center specific		<u>Estimates:</u> > Impact of Physician transfers, both in & out transfers  <u>Notable Items:</u>		<u>Calculation:</u> > Rate necessary to cover expense inflation > Cost shift is a consideration  <u>Notable Items:</u> Hospital fiscal year Oct-Sept Payer year: Most Commercial: Jan-Dec Medicare Inpatient: Oct-Sept Outpatient/Pro: Jan-Sept Medicaid: Jan-Dec		<u>Based on a set of assumptions</u> > Payer mix > Payment rates: Current rates Changes to current rate trends Payer policy changes  Impact of payer increases Estimates for APM Free Care/Bad Debt > Volume/Utilization > New/Replacement Provider Start Dates  <u>Notable Items:</u> > Cyberattack fall 2020 > Volumes back to pre-COVID-19 levels

# FY 2021 to FY 2022 NPR breakdown

	FY2021 Budget	+/-	Changes from FY2021 Budget				+/-	FY2022 Expense Inflation	=	FY2022 Budget
			Base YTD Actual: Oct - Jan	+/-	Adjustments to Base	+/-	Changes in Utilization	+/-	Physician Acquisitions	
UVM Medical Center	\$1,415,656,433		\$46,944,309				(\$117,367)		(\$4,508,032)	\$42,618,585
CVMC	\$236,081,039		(\$2,339,668)				\$6,425,776		\$4,508,032	\$6,827,436
Porter Hospital	\$89,810,556		(\$1,969,169)				\$3,741,418		\$0	\$2,585,230

	Budget to Budget NPR Δ			Amount of NPR change related to FY2022 Rate / Expense Inflation
	\$ Prior to Physician Transfers	% Prior to Physician Transfers	% After Physician Transfer	
UVM Medical Center	\$84,937,495	6.0%	6.3%	3.0%
CVMC	\$15,421,575	6.5%	4.5%	2.9%
Porter Hospital	\$4,357,479	4.9%	4.9%	2.9%

## Example: Volume generated expense increases vs. inflation generated expense increases

**A:** Increase in services provided generates new revenue and new expense

**A:** Services have different levels of reimbursement and fixed vs. variable costs, but net impact of changes from year to year have historically had minimal impact on per unit revenue and expense

**A:** Payer mix has been fairly stable, and changes have historically had minimal impact on per unit revenue (changes have offset each other)

**B:** Expense inflation (per unit increase in expense caused by salary increases, price increase on drugs, etc.) negatively impacts margin

**C:** Corresponding amount of per unit revenue inflation (expense to payers/patients) is needed to maintain margin level

		A	B	C
	Current	Increase in Services Provided	3% Expense Inflation, No Revenue Inflation	3% Expense and Revenue Inflation
Total Services Provided	100,000	110,000	110,000	110,000
Total Revenue for All Services Provided	\$ 100,000,000	\$ 110,000,000	\$ 110,000,000	\$ 113,300,000
Total Operating Expenses for All Services Provided	\$ 92,000,000	\$ 101,200,000	\$ 104,236,000	\$ 104,236,000
Operating EBIDA Margin	\$ 8,000,000	\$ 8,800,000	\$ 5,764,000	\$ 9,064,000
	8.0%	8.0%	5.2%	8.0%
Per Unit Revenue	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,030
Per Unit Expense	\$ 920	\$ 920	\$ 948	\$ 948
Per Unit Operating EBIDA Margin	\$ 80	\$ 80	\$ 52	\$ 82

# Commercial rate calculation

- Must fund expense inflation for all payer patient populations
- Process:
  - Start with: Expense inflation
  - Less: Payment increases from non-commercial payers
  - Equals: \$ amount of expense inflation which needs to get funded from commercial payers
  - Divide by: \$ value of per 1% commercial rate
  - Solves for: % commercial rate increase

# Commercial rate calculation

## UVM Medical Center

Expense Category	Expense Inflation
Salary & Fringe	\$ 27,381,482
Med/Surg Expense	\$ 3,589,777
Pharmacy	\$ 2,568,598
All Other	\$ 2,896,267
Provider Tax	\$ 2,175,921
<b>Total Expense Inflation</b>	<b>\$ 38,612,045</b>

Outpatient Pharmacy: Cost of Goods Sold	<u>2,583,738</u>
Aggregate Expense Inflation	\$ 41,195,783

Note: \$38.6M is the expense inflation which is related to NPR/FPP volumes. There is another \$2.5M of expense inflation related to cost of goods sold in outpatient pharmacy, which is funded from other revenues. Total expense inflation is \$41.2M in aggregate.

Payer Category	Revenue Required to Cover Expense Inflation			
	Rate <u>without</u> Cost shift	Rate <u>with</u> Cost shift	Difference	
Medicare: assumptions Inpatient 2.5%/Outpatient 2.0%/Professional 0.0%	\$ 11,281,244	\$ 4,221,551	\$	(7,059,693)
Medicaid: assumptions 0.0%	\$ 4,490,367	\$ (321)	\$	(4,490,688)
Other Payers/Bad Debt/Free Care	\$ 878,483	\$ (5,129,090)	\$	(6,007,573)
Commercial	\$ 21,977,091	\$ 39,535,044	\$	17,557,954
<b>Total</b>	<b>\$ 38,627,185</b>	<b>\$ 38,627,185</b>	<b>\$</b>	<b>0</b>

<b>Budgeted Commercial Rate Increase</b>	<b>\$ 39,535,044</b>
<b>Value of 1% of Commercial Rate Increase</b>	<b>\$ 5,605,660</b>
<b>Budgeted Commercial % Rate Increase</b>	<b>7.05%</b>

# Commercial rate calculation

## Central Vermont Medical Center

### Expense Category

Salary & Fringe  
Med/Surg Expense  
Pharmacy  
All Other  
Provider Tax

### Total Expense Inflation

Expense Inflation	
\$	3,962,006
\$	360,606
\$	961,338
\$	469,792
\$	339,212
<b>\$</b>	<b>6,092,954</b>

### Payer Category

Medicare: assumptions Inpatient 2.5%/Outpatient 2.0%/Professional 0.0%  
Medicaid: assumptions 0.0%  
Other Payers/Bad Debt/Free Care  
Commercial

### Total

Revenue Required to Cover Expense Inflation			
Rate <u>without</u> Cost shift	Rate <u>with</u> Cost shift	Difference	
\$ 2,216,337	\$ 1,232,823	\$	(983,514)
\$ 773,607	\$ (178,653)	\$	(952,260)
\$ 249,726	\$ (825,379)	\$	(1,075,105)
\$ 2,853,285	\$ 5,864,163	\$	3,010,879
<b>\$ 6,092,954</b>	<b>\$ 6,092,954</b>	<b>\$</b>	<b>0</b>

### Budgeted Commercial Rate Increase

### Value of 1% of Commercial Rate Increase

### Budgeted Commercial % Rate Increase

**\$ 5,864,163**  
**\$ 791,385**  
**7.41%**

# Commercial rate calculation

## Porter Hospital

Expense Category	Expense Inflation
Salary & Fringe	\$ 1,724,583
Med/Surg Expense	\$ 142,343
Pharmacy	\$ 121,338
All Other	\$ 111,064
Provider Tax	\$ 91,631
<b>Total Expense Inflation</b>	<b>\$ 2,190,959</b>

Payer Category	Revenue Required to Cover Expense Inflation			
	Rate <u>without</u> Cost shift	Rate <u>with</u> Cost shift	Difference	
Medicare: assumptions Inpatient + Outpatient 2.4%/Professional 0.0%	\$ 875,907	\$ 711,756	\$	(164,151)
Medicaid: assumptions 0.0%	\$ 230,763	\$ (0)	\$	(230,763)
Other Payers/Bad Debt/Free Care	\$ (71,599)	\$ (404,850)	\$	(333,250)
Commercial	\$ 1,155,889	\$ 1,884,054	\$	728,165
<b>Total</b>	<b>\$ 2,190,959</b>	<b>\$ 2,190,960</b>	<b>\$</b>	<b>0</b>

<b>Budgeted Commercial Rate Increase</b>	<b>\$ 1,884,054</b>
<b>Value of 1% of Commercial Rate Increase</b>	<b>\$ 321,511</b>
<b>Budgeted Commercial % Rate Increase</b>	<b>5.86%</b>

Per capita and age adjusted NPR growth  
is within 3.5% guidance

# Vermont statute

## Title 18 : Health

### Chapter 220 : Green Mountain Care Board

#### Subchapter 001 : Green Mountain Care Board

(Cite as: 18 V.S.A. § 9372)

#### § 9372. Purpose

It is the intent of the General Assembly to create an independent board to promote the general good of the State by:

(1) improving the health of the population;

**(2) reducing the per-capita rate of growth in expenditures for health services in Vermont across all payers while ensuring that access to care and quality of care are not compromised;**

(3) enhancing the patient and health care professional experience of care;

(4) recruiting and retaining high-quality health care professionals; and

(5) achieving administrative simplification in health care financing and delivery.

(Added 2011, No. 48, § 3, eff. May 26, 2011.)

## Measuring NPR needs to consider the population served

- Total Cost of Care (TCOC) = price X utilization
- Total NPR = TCOC for total population we are responsible for
- Measure of effectiveness at managing the population we are responsible for = total NPR divided by the total population we are responsible for

# Growing and aging population

- Overall Vermont population growth has been flat through 2019, but UVM Health Network's primary market area has been growing
- Recently released 2020 census data indicates Vermont population grew from 623,989 in 2019 to 643,077 in 2020, a very unexpected increase of 3% in just one year – likely the result of relocations to Vermont during the pandemic
- 2020 census data is not yet available by county, but UVM Health Network has commissioned its own population projection report, the result of which will be shared later in the presentation
- Like the rest of Vermont, UVM Health Network's primary market area is aging; in 2018 Vermont was 4<sup>th</sup> in the country for percent of residents over 65 at 19.8%, which in 2020 has grown to 20.0%
- Aging population increases health care utilization and costs

	Average US Health Care Spending	Utilization Factor
Under 45	\$ 2,544	1.00
45-64	\$ 6,406	2.52
65+	\$ 11,316	4.45

**SOURCE:** Department of Health & Human Services

# Per capita adjusted NPR & per capita and age adjusted NPR

Utilization Adjustment		FY16	FY17	FY18	FY19	FY20	FY21	FY21 Budget	FY22 Budget
<u>UVMHN Population (market share adj)</u>									
Under 45		173,641	173,776	176,855	177,026	174,951	172,519	173,735	173,874
45 - 64		88,963	88,167	87,683	86,704	88,038	91,213	89,625	92,606
65 +		50,573	53,038	55,701	58,033	60,228	62,028	61,128	64,255
Total		313,177	314,981	320,239	321,763	323,217	325,760	324,488	330,734
<u>Utilization Adjusted UVMHN Population</u>									
Under 45	X 1.00	173,641	173,776	176,855	177,026	174,951	172,519	173,735	173,874
45 - 64	X 2.52	224,045	222,041	220,821	218,357	221,716	229,711	225,714	233,219
65 +	X 4.45	224,982	235,949	247,799	258,173	267,938	275,942	271,940	285,851
Total		622,668	631,766	645,474	653,556	664,604	678,173	671,389	692,944
UVMHN NPR		\$ 1,432,524,332	\$ 1,494,225,412	\$ 1,538,581,738	\$ 1,587,997,998	\$ 1,481,191,345	\$ 1,588,364,113	\$ 1,752,443,841	\$ 1,856,448,264
Less: NY NPR		\$ 171,168,905	\$ 181,667,846	\$ 194,375,659	\$ 195,355,597	\$ 178,900,659	\$ 199,977,545	\$ 220,842,404	\$ 234,092,653
UVMHN VT NPR		\$ 1,261,355,427	\$ 1,312,557,566	\$ 1,344,206,079	\$ 1,392,642,401	\$ 1,302,290,686	\$ 1,388,386,568	\$ 1,531,601,437	\$ 1,622,355,611
VT NPR per UVMHN VT Population		\$ 4,028	\$ 4,167	\$ 4,198	\$ 4,328	\$ 4,029	\$ 4,262	\$ 4,720	\$ 4,905
Percent Change			3.5%	0.7%	3.1%	-6.9%	5.8%		3.9%
FY16 to FY21 per Year Average							1.2%		
VT NPR per UVMHN VT Population (Age Adj)		\$ 2,026	\$ 2,078	\$ 2,083	\$ 2,131	\$ 1,959	\$ 2,047	\$ 2,281	\$ 2,341
Percent Change			2.6%	0.2%	2.3%	-8.0%	4.5%		2.6%
FY16 to FY21 per Year Average							0.2%		

# Per capita health care spending projections

- UVM Health Network non age adjusted per capita NPR growth for FY 2016 to FY 2021 was 1.2% per year vs. the national growth rate of 4.4%
- UVM Health Network non age adjusted per capita NPR growth from FY 2021 budget to FY 2022 budget is 3.9% vs. the national projection of 4.9%
- National spending is projected to grow by an average of 5.5% per year from 2022 to 2028, largely due to the continued aging of the population
- With Vermont's population aging faster than the rest of the nation, the Vermont targeted rate of 3.5% will likely be difficult to achieve

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
National per Capita Spending	\$10,379	\$10,742	\$11,172	\$11,597	\$12,118	\$12,641	\$13,261	\$13,903	\$14,559	\$15,266	\$16,021	\$16,798	\$17,611
% Change		3.5%	4.0%	3.8%	4.5%	4.3%	4.9%	4.8%	4.7%	4.9%	4.9%	4.8%	4.8%
National % Over 65	14.9%	15.4%	15.9%	16.1%	16.6%	17.1%	17.3%	17.7%	18.2%	18.6%	18.8%	19.2%	19.3%
% Change		0.5%	0.5%	0.2%	0.5%	0.4%	0.2%	0.4%	0.5%	0.4%	0.2%	0.4%	0.1%

**SOURCES:** Centers for Medicare & Medicaid Services, Office of the Actuary; U.S. Department of Commerce, Bureau of Economic Analysis; and U.S. Bureau of the Census

# UVM Medical Center



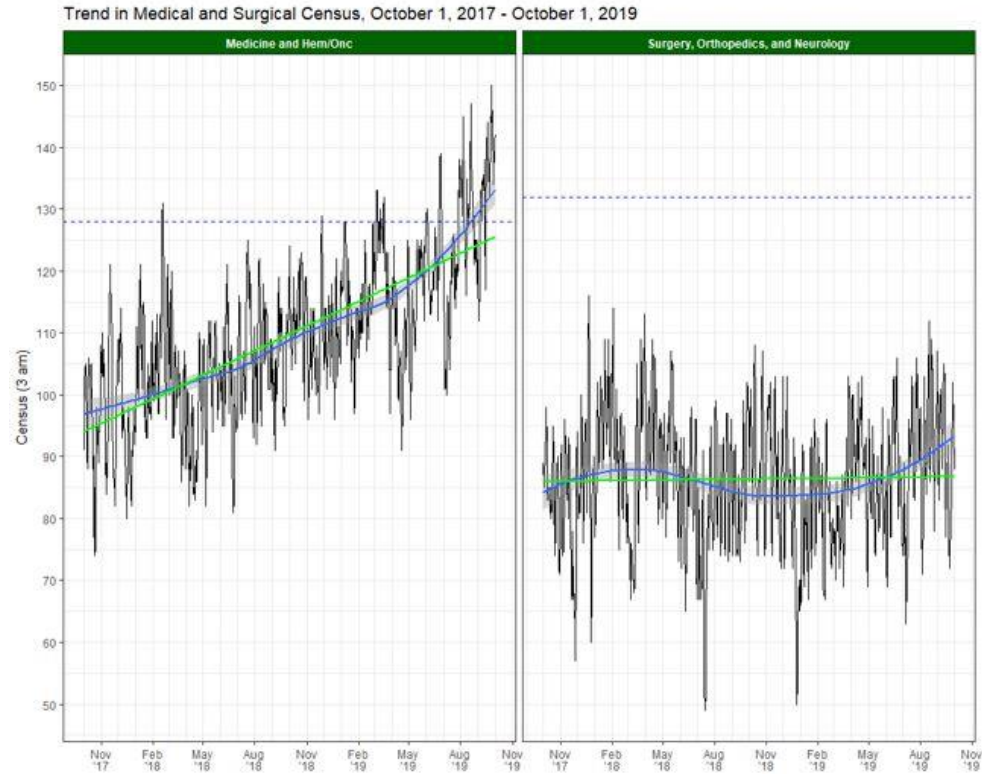
# FY 2022

- We serve both our local community and the entire state
  - Academic tertiary care provider and referral center for 1 million people in Vermont and upstate New York
  - As a community hospital, UVM Medical Center's 8,800 employees serve 168,000 people in our region
- For 2020 and 2021, UVM Medical Center was fully focused on COVID-19 and using all our resources to support Vermont's pandemic response
- We are now returning to many pre-pandemic capital projects that are essential to serve our patients and communities
- Projects focused on staffing, equipment, and space
  - Staffing collaborative with the union
  - Emergency Department project
  - 3T MRI
  - Outpatient surgery center

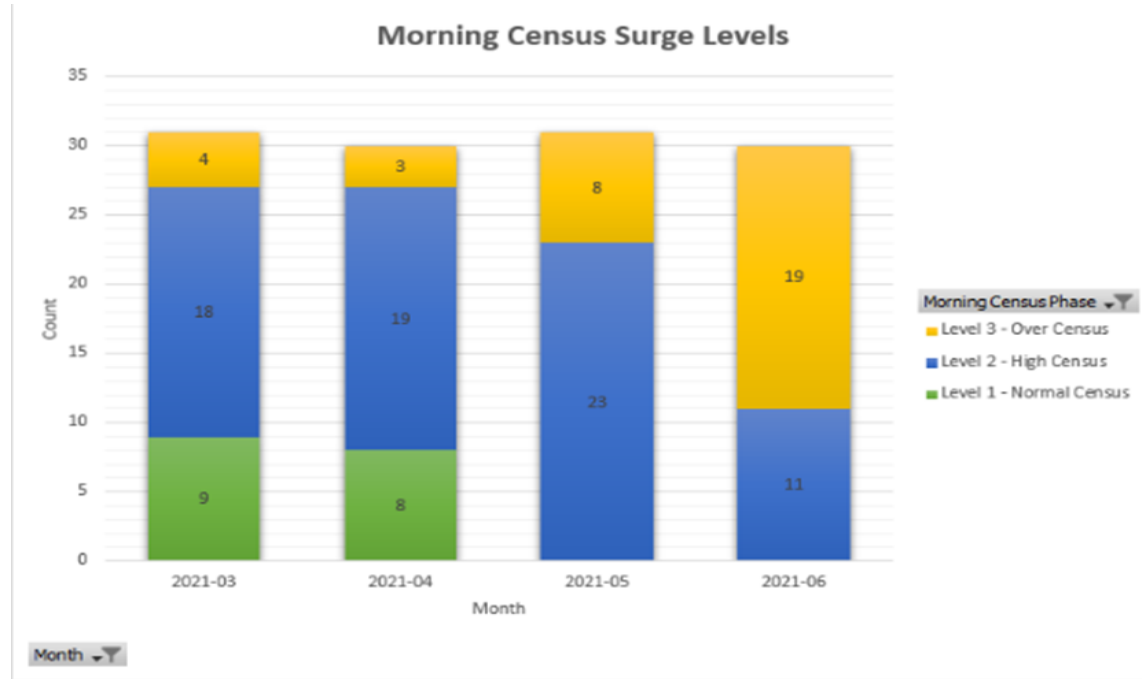
# Challenges

- Access
- Staffing
- Space
- Unprecedented need for services

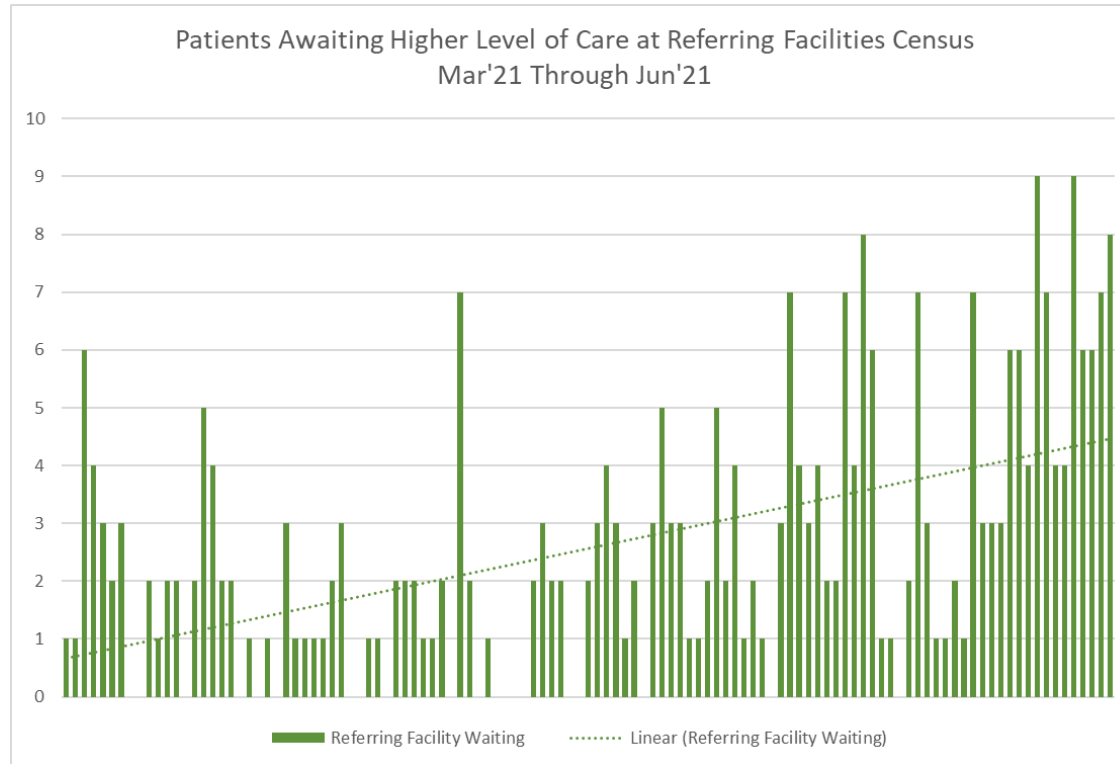
# Prior to the pandemic, medical and surgical patient volumes at UVM Medical Center were increasing



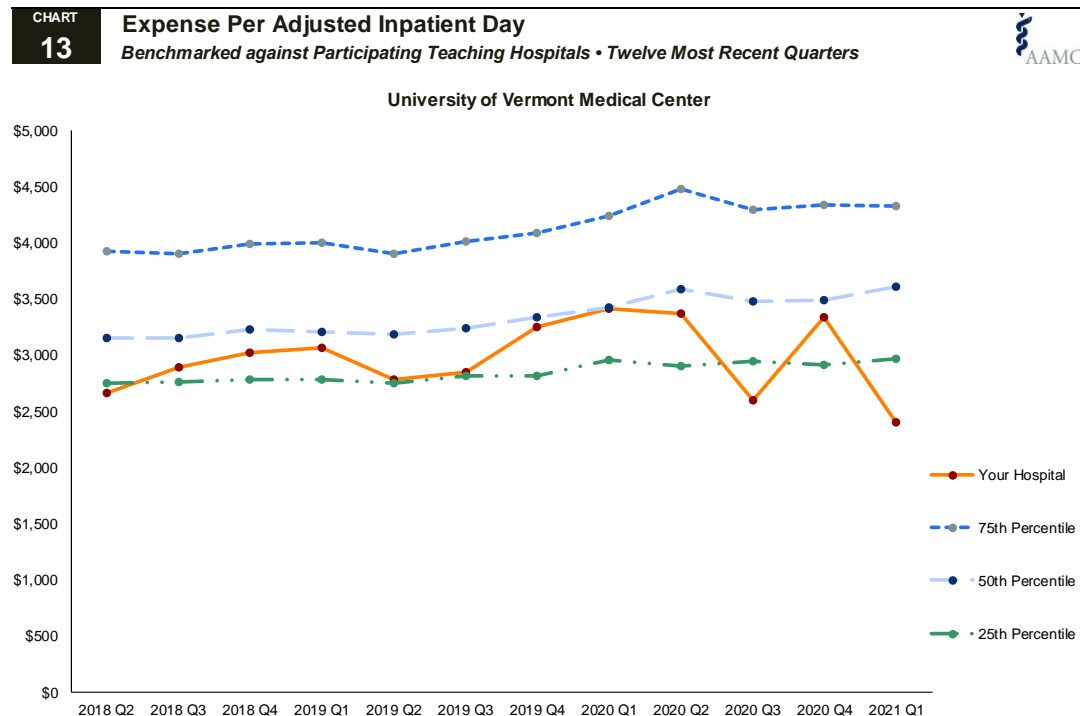
# Current surge levels



# Patients awaiting higher level of care – referring facilities trend



# Using our health care resources efficiently



Source: AAMC-COTH Quarterly Survey of Hospital Operations & Financial Performance

# Using our health care resources efficiently

	Supply Expense per Adjusted Inpatient Day		
	Med/Surg	Drugs/Pharm	Total Supplies
FY20 UVMHC	\$238	\$323	\$589
FY20 COTH Median	\$390	\$310	\$789

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Projected	FY22 Budget
UVMHC Comp Ratio	57%	59%	56%	56%	57%	56%	55%
S&P A Rated Median	55%	56%	56%	55%	56%	56%	56%

# Central Vermont Medical Center



# Our mission:

## Central to our community. Caring for a lifetime.

- Central Vermont Medical Center's 1,700 employees serve 66,000 people in our region across 24 cities and towns.
- On the main campus, CVMC provides a range of inpatient and surgical services, as well as long term care and short term rehabilitation at Woodridge Rehabilitation and Nursing.
- CVMC has 25 medical specialties in our 23 medical practice sites across our HSA.
- 2020 and 2021: CVMC focused on COVID-19 pandemic response while providing the highest quality of care.
- Current state:
  - Dramatic increase in complex acute care admissions and high ED and ExpressCare volumes
  - Increase in the number and severity of adult and pediatric mental health boarders in our ED

# Priority areas

- Workforce development
- Epic Wave 2 implementation
- Margin improvement initiatives
- Diversity, equity, and inclusion
- Inpatient psychiatric capacity planning
- Continued COVID-19 response



# Projects and innovations

- **Central Vermont Prevention Coalition** (formerly known as WCSARP): CVMC received a HRSA grant and is coordinating a \$1M, 18-month initiative to analyze the impacts of the COVID-19 pandemic on substance use disorder recovery and strengthen treatment pathways.
- **Access:** CVMC rapidly expanded and continues to invest in telehealth services and in our joint partnership with UVM Health Network's Patient Access and Service Center (PASC). Through the PASC we are able to expedite referrals throughout the Network for some specialties (e.g., urology), as well as locally (e.g., rheumatology and endocrinology).
- **THRIVE Accountable Community for Health:** CVMC worked collaboratively with 54 community organizations to develop a Community Health Needs Assessment; with over 1,550 survey respondents and facilitated focus group sessions, we identified the priority areas of focus in central Vermont.
- **Working Communities Challenge:** CVMC is a pilot site for a \$300,000 three-year program with the goal of lowering the rate of single female head of households in poverty.
- **Food Security and Wellness:** Despite COVID-19, CVMC continues hosting *VeggieVanGo* in partnership with the Vermont Foodbank, serving over 300 households every month. CVMC serves 150 households with weekly *Health Care Shares* through our partnership with Vermont Youth Conservation Corps.

# Workforce

- Staffing challenges – particularly RN, Radiology, and entry level direct and non-direct staff positions
  - Competition for labor is driving wages well beyond current budget and projections
  - Housing inventory – high cost and limited availability
- CVMC investigating EB-3 visa program to place foreign nurses into permanent positions
- Growing talent locally – nursing career pathways
  - LNA, MA, LPN, and RN programs in partnership with local colleges to increase our talent pipeline

# Porter Hospital

# Strategy map 2021 – 2023



# Strategic advantages and challenges

- Advantages

- Dedicated staff
- Community relationships
- UVM Health Network relationship
- Care continuum
- Epic

- Challenges

- Workforce shortages
- Capital needs and funding
- Patient access constraints
- Capacity
- Care inequities

# Critical success factors

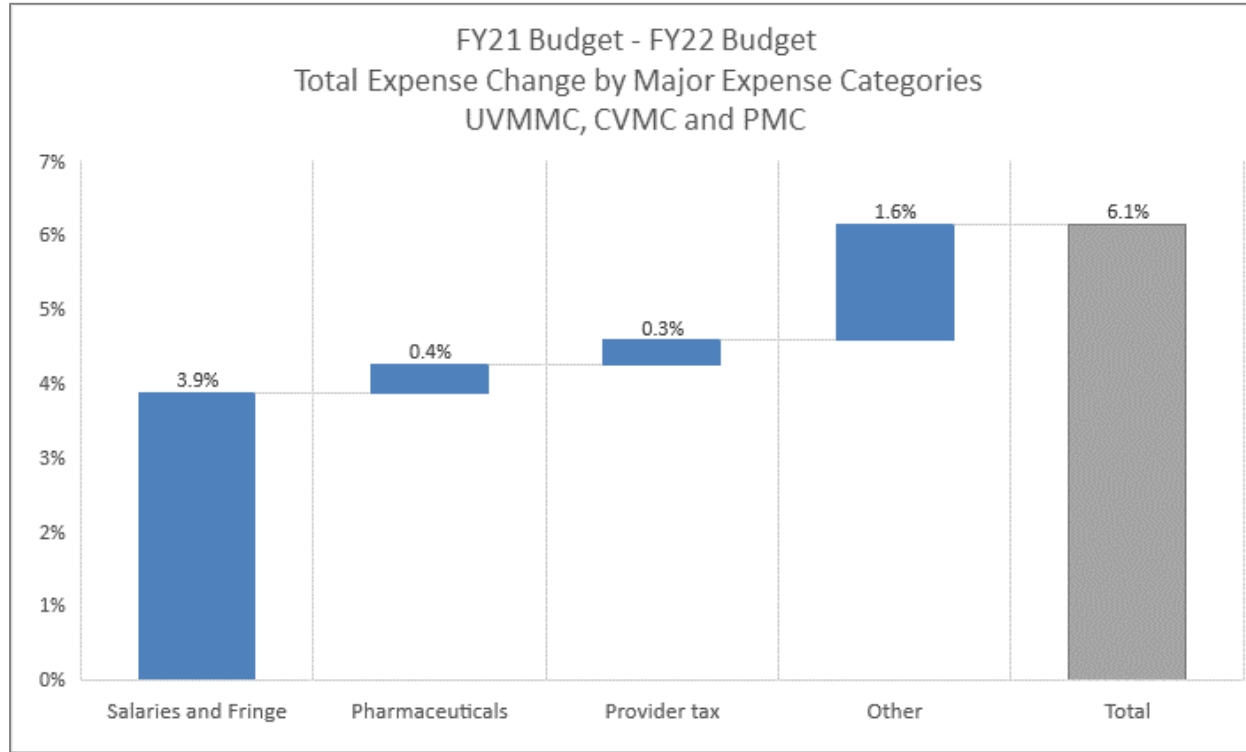
- Porter's 800 employees serve 38,000 people in our region
- Optimizing clinical, functional, and cultural integration across Porter's work and care environments
- Enhancing local access to care in our "smart growth" vision
- Using Epic to enhance care processes and outcomes
- Building a high reliability organization
- Appropriate capital investment to improve work and care environments
- Building upon our community engagement

# FY 2022 UVM Health Network budget proposal

# Highlights

- NPR growth is below national growth rate and within 3.5% guidance when adjusted for the population and age of population we serve
- Majority of expense growth is outside the UVM Health Network's or Green Mountain Care Board's control
- Commercial rate increase only covers the cost of expense inflation
- We have demonstrated our efficient utilization of resources as compared to external benchmarks

# Bulk of our expense growth is in salaries and fringe



# 12 month actual volume trend to FY 2022 budget monthly average

		FY2020 Actual			Compare Chart: Month to 2022 BUD Monthly Avg											
		2022 BUD Monthly Avg	Jul-2020 ACTUAL	Aug-2020 ACTUAL	Sep-2020 ACTUAL	FY 2021 Actual										
						Oct-2020 Actual	Nov-2020 Actual	Dec-2020 Actual	Jan-2021 Actual	Feb-2021 Actual	Mar-2021 Actual	Apr-2021 Actual	May-2021 Actual	Jun-2021 Actual		
UVM Medical Center																
HOSPITAL																
Inpatient Discharges	1,997		97%	100%	97%	96%	68%	86%	90%	86%	99%	98%	97%	99%		
Total ED Visits	4,750		101%	103%	98%	84%	26%	85%	88%	88%	97%	99%	107%	115%		
Inpatient Births	187		105%	110%	101%	83%	22%	78%	82%	86%	92%	119%	100%	116%		
Total Patient Days	12,485		96%	97%	101%	100%	76%	94%	95%	89%	98%	95%	100%	103%		
Inpatient Patient Days	11,578		96%	98%	101%	100%	77%	95%	95%	89%	97%	96%	100%	102%		
PROFESSIONAL																
MG Professional Worked RVUs (including Anes)	243,779		96%	91%	95%	89%	9%	92%	112%	112%	116%	110%	107%	115%		
MG Professional Arrived Visits (including Anes)	53,951		92%	88%	96%	100%	65%	84%	92%	87%	109%	99%	96%	103%		
ANCILLARY																
Operating / Minor Rooms																
Total OR Cases	1,692		101%	96%	99%	103%	77%	84%	88%	86%	102%	97%	95%	105%		
Procedures																
Total Cath Lab	419		94%	101%	95%	94%	4%	82%	113%	104%	120%	79%	89%	114%		
Total EP	167		96%	115%	106%	134%	8%	101%	112%	113%	128%	109%	121%	119%		
Total GI/Endoscopy	1,000		67%	68%	90%	87%	18%	88%	105%	92%	111%	78%	82%	97%		
Total Interventional Radiology	885		103%	92%	94%	90%	4%	58%	109%	146%	89%	105%	90%	112%		
Total Radiation Oncology	3,333		114%	102%	113%	105%	0%	105%	154%	94%	110%	109%	110%	135%		
Major Imaging																
Total MRI	1,765		97%	87%	87%	86%	6%	62%	79%	89%	106%	100%	91%	99%		
Total CT Scan	4,906		104%	98%	97%	88%	12%	101%	103%	91%	116%	100%	104%	109%		
Total Nuc Med + PET	587		111%	91%	101%	97%	9%	75%	105%	82%	106%	113%	100%	119%		
Minor Imaging																
Total Rad Diagnostic	9,653		90%	85%	91%	79%	10%	80%	94%	83%	106%	91%	97%	99%		
Total Ultrasound	2,543		96%	100%	94%	85%	8%	77%	92%	91%	114%	103%	91%	96%		
Total Mammography	4,685		81%	92%	91%	90%	8%	45%	95%	89%	107%	97%	88%	97%		
Lab																
Total Billed Lab Test	210,429		108%	102%	106%	97%	17%	104%	118%	107%	119%	115%	110%	111%		

# 12 month actual volume trend to FY 2022 budget monthly average

Central VT Medical Center	FY2020 Actual				Compare Chart: Month to 2022 BUD Monthly Avg									
	2022 BUD Monthly Avg	Jul-2020	Aug-2020	Sep-2020	FY 2021 Actual									
		ACTUAL	ACTUAL	ACTUAL	Oct-2020 Actual	Nov-2020 Actual	Dec-2020 Actual	Jan-2021 Actual	Feb-2021 Actual	Mar-2021 Actual	Apr-2021 Actual	May-2021 Actual	Jun-2021 Actual	
<b>HOSPITAL</b>														
Inpatient Discharges	346	104%	90%	90%	97%	79%	91%	86%	82%	102%	99%	82%	102%	
Total ED Visits	2,060	98%	98%	95%	80%	80%	79%	79%	71%	84%	93%	86%	107%	
Inpatient Births	22	147%	106%	64%	83%	83%	78%	69%	41%	133%	106%	60%	152%	
Total Patient Days	1,704	100%	93%	92%	92%	84%	83%	97%	89%	95%	98%	92%	92%	
Inpatient Patient Days	1,595	97%	93%	90%	91%	86%	84%	95%	86%	98%	96%	93%	90%	
Inpatient Patient Days SNF	3,863	96%	95%	91%	95%	82%	84%	82%	78%	88%	88%	91%	97%	
<b>PROFESSIONAL</b>														
MG Professional Worked RVUs (including Anes)	41,008	64%	61%	66%	66%	1%	90%	83%	82%	94%	84%	82%	81%	
MG Professional Arrived Visits (including Anes)	18,351	83%	77%	86%	94%	69%	81%	83%	81%	94%	88%	83%	90%	
<b>ANCILLARY</b>														
<b>Operating / Minor Rooms</b>														
Total OR Cases	317	85%	87%	98%	105%	90%	78%	87%	89%	117%	98%	105%	94%	
<b>Procedures</b>														
Total GI/Endoscopy	449	65%	84%	97%	77%	89%	59%	55%	62%	94%	68%	110%	82%	
Total Radiation Oncology	399	99%	61%	78%	81%	155%	83%	73%	74%	120%	112%	81%	93%	
<b>Major Imaging</b>														
Total MRI	312	107%	108%	110%	103%	105%	100%	107%	101%	121%	117%	110%	108%	
Total CT Scan	1,157	109%	108%	98%	103%	99%	104%	106%	97%	119%	121%	117%	122%	
Total Nuc Med + PET	142	107%	101%	136%	116%	88%	113%	77%	77%	103%	89%	101%	90%	
<b>Minor Imaging</b>														
Total Rad Diagnostic	3,239	83%	80%	83%	81%	65%	71%	76%	74%	90%	87%	82%	91%	
Total Ultrasound	675	100%	94%	99%	100%	84%	94%	98%	93%	115%	107%	100%	102%	
Total Mammography	721	103%	109%	104%	112%	100%	102%	96%	90%	100%	53%	64%	98%	
<b>Lab</b>														
Total Billed Lab Test	40,044	109%	101%	102%	104%	89%	94%	99%	98%	108%	104%	102%	107%	

# 12 month actual volume trend to FY 2022 budget monthly average

		FY2020 Actual				Compare Chart: Month to 2022 BUD Monthly Avg											
		2022 BUD Monthly Avg	Jul-2020 ACTUAL	Aug-2020 ACTUAL	Sep-2020 ACTUAL	FY 2021 Actual											
Porter Medical Center						Oct-2020 Actual	Nov-2020 Actual	Dec-2020 Actual	Jan-2021 Actual	Feb-2021 Actual	Mar-2021 Actual	Apr-2021 Actual	May-2021 Actual	Jun-2021 Actual			
HOSPITAL																	
Inpatient Discharges	158	120%	109%	74%		104%	96%	104%	102%	80%	99%	67%	89%	92%			
Total ED Visits	993	101%	98%	90%		88%	84%	82%	78%	73%	84%	85%	105%	107%			
Total Patient Days	494	114%	111%	77%		105%	110%	94%	111%	73%	95%	71%	101%	97%			
Inpatient Patient Days	494	114%	111%	77%		105%	110%	94%	111%	73%	95%	71%	101%	97%			
Inpatient Patient Days SNF	2,525	92%	94%	91%		98%	95%	96%	98%	87%	93%	96%	92%	91%			
PROFESSIONAL																	
MG Professional Worked RVUs (including Anes)	14,077	64%	87%	115%		69%	5%	86%	96%	103%	95%	94%	94%	105%			
MG Professional Arrived Visits (including Anes)	4,147	162%	153%	155%		161%	121%	145%	141%	134%	172%	160%	155%	169%			
ANCILLARY																	
Operating / Minor Rooms																	
Total OR Cases	325	102%	78%	83%		97%	102%	103%	90%	99%	117%	104%	96%	105%			
Major Imaging																	
Total MRI	121	109%	106%	92%		108%	100%	113%	91%	0%	127%	139%	125%	120%			
Total CT Scan	433	113%	112%	93%		92%	102%	106%	106%	91%	103%	99%	119%	116%			
Total Nuc Med + PET	41	106%	135%	104%		82%	56%	77%	82%	85%	118%	118%	114%	116%			
Minor Imaging																	
Total Rad Diagnostic	2,179	97%	92%	95%		99%	85%	92%	87%	92%	102%	95%	101%	108%			
Lab																	
Total Billed Lab Test	14,520	124%	119%	111%		130%	97%	122%	132%	102%	120%	122%	123%	125%			

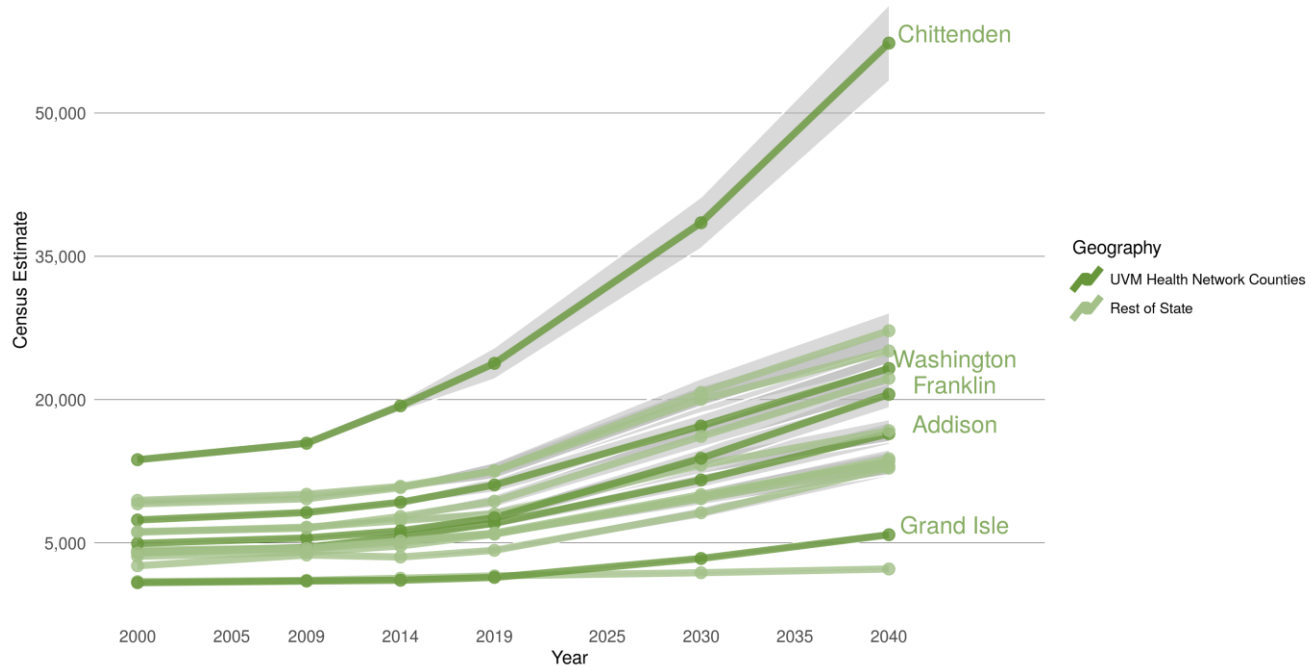
# Predicted growth of population and demand

- Significant population growth
  - The Burlington Metropolitan Statistical Area (MSA) is predicted to grow by 16% from 2019 to 2040
- The proportion of the state population in the Burlington MSA is increasing
- The Medicare-eligible population within the Burlington MSA is projected to more than double by 2040
- The Medicaid-eligible population within the Burlington MSA is projected to grow by 12% by 2040
- Privately insured population within the MSA is projected to grow by 16% by 2040

Source: Previous US census data and current Vermont state census estimates

# Medicare population will grow rapidly

Residents Over Age 65  
2000 - 2040



Source: US Census

# Critical capital projects

- CVMC Inpatient Psychiatry Capacity Project
- UVM Medical Center Emergency Department (ED) Expansion
- UVM Medical Center Neonatal Intensive Care Unit (NICU)
- UVM Medical Center Ophthalmology and Dermatology Clinics Relocations
- UVM Medical Center Outpatient Surgery Center

# Efforts to address access

- Actively and aggressively recruiting providers, from nurses to specialty physicians; creating more pathways to employment through nursing training programs
- Working with community providers and other inpatient psychiatric care facilities to reduce the time patients with a primary diagnosis of mental illness board in our EDs
- Presenting a budget to GMCB that accurately reflects the investments required to address access issues
- Seeking CONs for the equipment and facilities needed to treat more patients and attract the providers necessary to provide care
- Adding telemedicine opportunities to broaden access to specialists
- Working at the state and federal levels to advocate for support for loan forgiveness and training program investments
- Across our Network, we are actively recruiting over 75 physicians across primary care and sub-specialty practices

## Risks to achieving our budget

- Commercial rate increases lower than expense inflation
- Expense inflation may be understated
- Medicaid and Medicare payment policies
- Limiting ACO program rate growth
- Further impacts of COVID-19
- Outpatient pharmacy revenue may be overstated
- Workforce challenges
- Epic implementation

# Summary

- FY 2022 UVM Health Network budget of \$1.8B, a combined NPR growth rate of 6%, and a combined commercial rate increase of 7% across our three Vermont hospitals
- We are asking for exactly what we need to cover our expenses and deliver care in our communities
- Approving this budget, including the necessary margin, will allow us to:
  - Invest in our people
  - Invest in our facilities

# Questions?

[UVMHealth.org](https://UVMHealth.org)

The background of the slide features several thick, wavy green lines in various shades of green, creating a dynamic, organic feel.

THE  
University of Vermont  
HEALTH NETWORK

# Thank you

[UVMHealth.org](https://UVMHealth.org)

The background of the slide features several thick, wavy green lines in various shades of green, creating a dynamic, flowing pattern that moves from the bottom left towards the top right.

THE  
University of Vermont  
HEALTH NETWORK

# Appendix

[UVMHealth.org](https://UVMHealth.org)

# Income Statement, Balance Sheet, Cash Flow Statement

# UVM Medical Center



# UVM Medical Center: Income Statement

	UVM Medical Center				
	ACT2019	ACT2020	ACT2021 Projected	BUD2021	BUD2022
<b>SUMMARY INCOME STATEMENT</b>					
Patient Revenue	2,877,767,129	2,719,070,165	3,053,837,444	3,266,603,970	3,485,682,315
Deductions	1,736,017,049	1,685,631,702	1,930,016,620	2,079,368,911	2,169,968,777
<b>Net Patient Service Revenue</b>	<b>1,141,750,080</b>	<b>1,033,438,463</b>	<b>1,123,820,823</b>	<b>1,187,235,059</b>	<b>1,315,713,538</b>
FPP + OCV Revenue	143,484,113	166,289,772	171,967,015	228,421,374	184,880,390
Other Revenue	151,116,011	258,366,310	281,949,621	186,051,743	213,583,061
<b>TOTAL UNRESTRICTED REVENUE &amp; OTHER</b>	<b>1,436,350,203</b>	<b>1,458,094,545</b>	<b>1,577,737,460</b>	<b>1,601,708,175</b>	<b>1,714,176,988</b>
Salaries	641,378,857	684,495,511	714,193,720	711,750,053	757,696,020
Benefits	156,107,596	150,365,890	170,767,615	177,652,613	191,974,555
Other Expense	482,829,965	492,645,029	500,988,988	527,212,303	556,925,529
Depreciation	52,395,119	65,902,262	62,586,568	64,112,613	70,212,839
Provider Tax	72,231,105	68,693,127	76,329,409	80,937,888	85,942,735
<b>TOTAL EXPENSES</b>	<b>1,404,942,642</b>	<b>1,462,101,819</b>	<b>1,524,866,301</b>	<b>1,561,665,470</b>	<b>1,662,751,679</b>
<b>NET INCOME (LOSS) FROM OPERATIONS</b>	<b>31,407,561</b>	<b>(4,007,273)</b>	<b>52,871,159</b>	<b>40,042,705</b>	<b>51,425,310</b>
Net Income %	2.2%	-0.3%	3.4%	2.5%	3.0%
Non Operating Revenue (Expense)	33,296,816	39,501,393	73,597,826	13,827,144	20,937,482
<b>Excess (Deficiency) Of Revenues Over Expenses</b>	<b>64,704,377</b>	<b>35,494,119</b>	<b>126,468,985</b>	<b>53,869,849</b>	<b>72,362,792</b>
Other Non Operating Gain / (Loss)	1,099,380	(53,237,422)	603,576	(3,536)	43,779
<b>INCREASE/(DECREASE) UNRESTRICTED NET ASSET</b>	<b>65,803,757</b>	<b>(17,743,303)</b>	<b>127,072,561</b>	<b>53,866,313</b>	<b>72,406,572</b>

# UVM Medical Center: Balance Sheet – Assets

	UVM Medical Center				
	ACT2019	ACT2020	ACT2021 Projected	BUD2021	BUD2022
<b>SUMMARY BALANCE SHEET</b>					
<b>CURRENT ASSETS</b>					
CASH & INVESTMENTS	72,153,219	194,761,845	224,688,488	244,783,431	172,991,275
PATIENT ACCOUNTS RECEIVABLE, GROSS	185,428,822	200,360,570	214,224,870	160,188,263	214,224,870
LESS: ALLOWANCE FOR UNCOLLECTIBLE ACCTS	(33,033,565)	(42,065,964)	(37,057,939)	-	(37,057,939)
DUE FROM THIRD PARTIES	43,541,343	32,009,063	37,425,396	-	37,425,396
ACO RISK RESERVE/SETTLEMENT RECEIVABLE	-	6,442,700	3,798,677	-	5,000,000
OTHER CURRENT ASSETS	72,386,955	113,260,016	106,016,163	116,307,813	106,016,163
<b>TOTAL CURRENT ASSETS</b>	<b>340,476,773</b>	<b>504,768,230</b>	<b>549,095,655</b>	<b>521,279,507</b>	<b>498,599,766</b>
<b>UNRESTRICTED FUNDED DEPRECIATION</b>	<b>571,037,372</b>	<b>549,107,796</b>	<b>612,315,947</b>	<b>516,577,841</b>	<b>633,297,209</b>
ESCROWED BOND FUNDS	-	-	-	-	-
RESTRICTED OTHER BOARD DESIGNATED ASSETS	58,320,111	67,415,992	87,880,000	-	87,880,000
<b>TOTAL BOARD DESIGNATED ASSETS</b>	<b>629,357,482</b>	<b>616,523,788</b>	<b>700,195,946</b>	<b>516,577,841</b>	<b>721,177,208</b>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>					
LAND, BUILDINGS & IMPROVEMENTS	892,701,490	913,207,548	923,177,459	646,684,466	957,180,476
CONSTRUCTION IN PROGRESS	75,067,107	25,321,642	36,289,707	-	36,289,707
MAJOR MOVABLE EQUIPMENT	397,869,025	485,492,437	491,436,173	-	525,773,537
FIXED EQUIPMENT	-	-	-	-	-
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>1,365,637,623</b>	<b>1,424,021,627</b>	<b>1,450,903,339</b>	<b>646,684,466</b>	<b>1,519,243,720</b>
<b>LESS: ACCUMULATED DEPRECIATION</b>					
LAND, BUILDINGS & IMPROVEMENTS	(390,444,964)	(422,526,056)	(455,118,426)	-	(492,874,419)
EQUIPMENT - FIXED	-	-	-	-	-
EQUIPMENT - MAJOR MOVEABLE	(329,099,529)	(361,372,990)	(391,241,433)	-	(423,698,279)
<b>TOTAL ACCUMULATED DEPRECIATION</b>	<b>(719,544,493)</b>	<b>(783,899,046)</b>	<b>(846,359,859)</b>	<b>-</b>	<b>(916,572,698)</b>
Leased PPE Net CVMC					
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>646,093,130</b>	<b>640,122,581</b>	<b>604,543,480</b>	<b>646,684,466</b>	<b>602,671,022</b>
<b>OTHER LONG-TERM ASSETS</b>	<b>78,611,762</b>	<b>65,558,813</b>	<b>65,947,792</b>	<b>142,233,196</b>	<b>65,947,792</b>
<b>TOTAL ASSETS</b>	<b>1,694,539,147</b>	<b>1,826,973,412</b>	<b>1,919,782,873</b>	<b>1,826,775,010</b>	<b>1,888,395,787</b>

# UVM Medical Center:

## Balance Sheet – Liabilities and Fund Balance

	UVMMC				
	ACT2019	ACT2020	ACT2021 Projected	BUD2021	BUD2022
<b>SUMMARY BALANCE SHEET</b>					
CURRENT LIABILITIES					
ACCOUNTS PAYABLE	29,281,370	27,779,653	42,892,632	35,717,005	42,892,632
SALARIES, WAGES AND PAYROLL TAXES PAYABLE	78,281,979	97,282,786	83,759,092	88,103,110	83,759,092
ESTIMATED THIRD-PARTY SETTLEMENTS	2,305,035	2,985,809	3,165,681	-	3,165,681
OTHER CURRENT LIABILITIES	40,316,452	53,997,050	54,494,848	67,936,249	54,494,848
CURRENT PORTION OF LONG-TERM DEBT	18,337,270	19,783,625	19,833,768	-	22,322,022
ACO RISK RESERVES/SETTLEMENT PAYABLE	-	16,244,851	20,296,554	-	-
CURRENT LIABILITIES COVID-19	-	76,060,696	60,190,837	21,500,000	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>168,522,106</b>	<b>294,134,469</b>	<b>284,633,412</b>	<b>213,256,364</b>	<b>206,634,275</b>
LONG-TERM DEBT					
BONDS & MORTGAGES PAYABLE	452,873,347	438,669,100	418,831,254	418,647,828	394,909,193
CAPITAL LEASE OBLIGATIONS	-	391,361	1,162,611	-	1,162,611
OTHER LONG-TERM DEBT	-	-	-	-	-
<b>TOTAL LONG-TERM DEBT</b>	<b>452,873,347</b>	<b>439,060,461</b>	<b>419,993,865</b>	<b>418,647,828</b>	<b>396,071,804</b>
OTHER NONCURRENT LIABILITIES	39,877,097	71,302,071	67,303,398	69,469,463	67,303,398
<b>TOTAL LIABILITIES</b>	<b>661,272,550</b>	<b>804,497,002</b>	<b>771,930,676</b>	<b>701,373,655</b>	<b>670,009,478</b>
FUND BALANCE	1,033,266,598	1,022,476,410	1,147,852,197	1,125,401,355	1,218,386,310
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>1,694,539,147</b>	<b>1,826,973,412</b>	<b>1,919,782,873</b>	<b>1,826,775,010</b>	<b>1,888,395,787</b>

# UVM Medical Center: Cash Flow Statement

	UVM Medical Center		
	ACT2020	ACT2021 Projected	BUD2022
<b>STATEMENT OF CASH FLOWS</b>			
<b>Sources of Cash:</b>			
Income from Operations	-4,007,273	52,871,159	51,425,310
Net NonOperating Income	-13,736,029	74,201,402	20,981,262
 Items Not Affecting Working Capital:			
Depreciation	65,902,262	62,586,568	70,212,839
Amortization			
Other	43,781,513	-26,498,290	615,795
 Long Term Debt Proceeds	0	0	0
<b>Total Sources of Cash</b>	<b>91,940,473</b>	<b>163,160,839</b>	<b>143,235,205</b>
<b>Uses of Cash:</b>			
Change in Working Capital, Excluding Current Portion of Debt	-82,483,177	23,951,982	81,688,714
 Additions to Property, Plant & Equipment, net	59,931,713	27,007,467	68,340,381
 Long Term Debt Principal Repayments	13,812,886	19,066,596	23,922,061
<b>Total Uses of Cash</b>	<b>(8,738,578)</b>	<b>70,026,045</b>	<b>173,951,156</b>
 Cash Provided (Used)	100,679,051	93,134,793	(30,715,951)
 Cash Balance, beginning of period	643,190,590	743,869,641	837,004,435
<b>Cash Balance, end of period</b>	<b>743,869,641</b>	<b>837,004,434</b>	<b>806,288,484</b>
 <b>Summary of Cash and Investments</b>			
Operating Cash	194,761,845	224,688,488	172,991,275
Board Designated Assets	549,107,796	612,315,947	633,297,209
<b>Total</b>	<b>743,869,641</b>	<b>837,004,435</b>	<b>806,288,484</b>

# Central Vermont Medical Center



# CVMC: Income Statement

	CVMC				
	ACT2019	ACT2020	ACT2021 Projected	BUD2021	BUD2022
<b>SUMMARY INCOME STATEMENT</b>					
Patient Revenue	418,151,359	395,992,628	461,507,663	474,516,164	532,114,899
Deductions	251,394,246	247,629,214	278,567,023	285,643,723	328,018,818
<b>Net Patient Service Revenue</b>	<b>166,757,113</b>	<b>148,363,413</b>	<b>182,940,640</b>	<b>188,872,441</b>	<b>204,096,081</b>
FPP + OCV Revenue	41,249,882	45,456,991	44,164,259	47,208,598	47,406,534
Other Revenue	15,731,007	40,708,030	20,683,134	17,458,939	17,420,950
<b>TOTAL UNRESTRICTED REVENUE &amp; OTHER</b>	<b>223,738,002</b>	<b>234,528,434</b>	<b>247,788,033</b>	<b>253,539,978</b>	<b>268,923,565</b>
Salaries	114,190,168	117,806,842	121,840,582	117,220,816	125,896,522
Benefits	29,479,529	30,365,563	34,384,820	32,951,940	36,758,344
Other Expense	64,182,385	68,236,692	73,285,395	80,385,904	80,882,733
Depreciation	9,170,032	8,082,083	7,876,310	8,000,000	8,046,630
Provider Tax	11,393,875	11,356,599	13,626,294	13,713,618	14,649,686
<b>TOTAL EXPENSES</b>	<b>228,415,989</b>	<b>235,847,779</b>	<b>251,013,400</b>	<b>252,272,277</b>	<b>266,233,915</b>
<b>NET INCOME (LOSS) FROM OPERATIONS</b>	<b>(4,677,987)</b>	<b>(1,319,345)</b>	<b>(3,225,366)</b>	<b>1,267,701</b>	<b>2,689,649</b>
Net Income %	-2.1%	-0.6%	-1.3%	0.5%	1.0%
Non Operating Revenue (Expense)	2,642,644	6,978,148	15,503,079	5,416,556	7,323,626
<b>Excess (Deficiency) Of Revenues Over Expenses</b>	<b>(2,035,343)</b>	<b>5,658,804</b>	<b>12,277,713</b>	<b>6,684,257</b>	<b>10,013,276</b>
Other Non Operating Gain / (Loss)	(6,807,196)	5,513,876	-	1,010,879	673,920
<b>INCREASE/(DECREASE) UNRESTRICTED NET ASSET</b>	<b>(8,842,539)</b>	<b>11,172,680</b>	<b>12,277,713</b>	<b>7,695,136</b>	<b>10,687,195</b>

# CVMC: Balance Sheet – Assets

	CVMC				
	ACT2019	ACT2020	ACT2021 Projected	BUD2021	BUD2022
<b>SUMMARY BALANCE SHEET</b>					
<b>CURRENT ASSETS</b>					
CASH & INVESTMENTS	6,088,055	27,956,469	10,879,649	15,801,156	12,569,298
PATIENT ACCOUNTS RECEIVABLE, GROSS	26,103,000	26,246,068	37,098,951	18,171,193	25,819,301
LESS: ALLOWANCE FOR UNCOLLECTIBLE ACCTS DUE FROM THIRD PARTIES	(3,742,567)	(3,865,990)	(4,358,425)	-	(3,865,990)
ACO RISK RESERVE/SETTLEMENT RECEIVABLE	0	0	(22,000)	-	(22,000)
OTHER CURRENT ASSETS	-	-	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>36,301,913</b>	<b>61,426,433</b>	<b>51,894,028</b>	<b>41,704,523</b>	<b>42,796,462</b>
<b>UNRESTRICTED FUNDED DEPRECIATION</b>	<b>51,524,653</b>	<b>54,165,813</b>	<b>63,941,042</b>	<b>56,667,435</b>	<b>65,577,155</b>
ESCROWED BOND FUNDS	-	-	-	-	-
RESTRICTED OTHER BOARD DESIGNATED ASSETS	8,058,522	7,967,046	9,507,151	-	9,507,151
<b>TOTAL BOARD DESIGNATED ASSETS</b>	<b>59,583,175</b>	<b>62,132,859</b>	<b>73,448,193</b>	<b>56,667,435</b>	<b>75,084,306</b>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>					
LAND, BUILDINGS & IMPROVEMENTS	120,228,898	122,448,323	129,872,011	78,646,042	142,647,011
CONSTRUCTION IN PROGRESS	5,076,629	6,539,558	360,910	-	360,910
MAJOR MOVABLE EQUIPMENT	53,983,761	52,519,493	52,523,599	-	56,550,129
FIXED EQUIPMENT	-	-	-	-	-
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>179,289,287</b>	<b>181,507,374</b>	<b>182,756,520</b>	<b>78,646,042</b>	<b>199,558,050</b>
<b>LESS: ACCUMULATED DEPRECIATION</b>					
LAND, BUILDINGS & IMPROVEMENTS	(70,443,188)	(74,512,573)	(79,796,269)	-	(85,090,370)
EQUIPMENT - FIXED	-	-	-	-	-
EQUIPMENT - MAJOR MOVEABLE	(41,475,409)	(38,895,366)	(41,487,979)	-	(44,240,509)
<b>TOTAL ACCUMULATED DEPRECIATION</b>	<b>(111,918,597)</b>	<b>(113,407,939)</b>	<b>(121,284,249)</b>	<b>-</b>	<b>(129,330,879)</b>
Leased PPE Net CVMC	-	-	-	-	-
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>67,370,691</b>	<b>68,099,435</b>	<b>61,472,271</b>	<b>78,646,042</b>	<b>70,227,171</b>
<b>OTHER LONG-TERM ASSETS</b>	<b>488,861</b>	<b>10,440,267</b>	<b>9,260,946</b>	<b>8,558,344</b>	<b>9,260,946</b>
<b>TOTAL ASSETS</b>	<b>163,744,640</b>	<b>202,098,994</b>	<b>196,075,438</b>	<b>185,576,344</b>	<b>197,368,886</b>

# CVMC: Balance Sheet – Liabilities and Fund Balance

	CVMC				
	ACT2019	ACT2020	ACT2021 Projected	BUD2021	BUD2022
<b>SUMMARY BALANCE SHEET</b>					
CURRENT LIABILITIES					
ACCOUNTS PAYABLE	6,811,349	3,732,157	2,723,153	3,673,750	2,723,153
SALARIES, WAGES AND PAYROLL TAXES PAYABLE	13,800,005	19,482,958	20,412,973	12,777,608	20,412,973
ESTIMATED THIRD-PARTY SETTLEMENTS	3,162,699	3,748,886	1,506,233	-	1,506,233
OTHER CURRENT LIABILITIES	12,176,514	10,503,706	10,319,951	19,554,503	10,319,951
CURRENT PORTION OF LONG-TERM DEBT	6,346,887	4,832,094	4,832,094	-	4,282,021
ACO RISK RESERVES/SETTLEMENT PAYABLE	-	8,350,760	3,750,000	2,600,000	5,000,000
CURRENT LIABILITIES COVID-19	-	9,627,133	6,361,433	3,500,000	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>42,297,455</b>	<b>60,277,695</b>	<b>49,905,837</b>	<b>42,105,861</b>	<b>44,244,331</b>
LONG-TERM DEBT					
BONDS & MORTGAGES PAYABLE	9,508,872	19,744,553	15,462,506	15,304,206	11,730,265
CAPITAL LEASE OBLIGATIONS	-	-	-	-	-
OTHER LONG-TERM DEBT	-	-	-	-	-
<b>TOTAL LONG-TERM DEBT</b>	<b>9,508,872</b>	<b>19,744,553</b>	<b>15,462,506</b>	<b>15,304,206</b>	<b>11,730,265</b>
OTHER NONCURRENT LIABILITIES	29,939,024	28,969,421	23,772,800	35,133,993	23,772,800
<b>TOTAL LIABILITIES</b>	<b>81,745,351</b>	<b>108,991,669</b>	<b>89,141,143</b>	<b>92,544,060</b>	<b>79,747,396</b>
FUND BALANCE	81,999,289	93,107,325	106,934,295	93,032,284	117,621,490
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>163,744,640</b>	<b>202,098,994</b>	<b>196,075,438</b>	<b>185,576,344</b>	<b>197,368,886</b>

# CVMC: Cash Flow Statement

	CVMC		
	ACT2020	ACT2021 Projected	BUD2022
<b>STATEMENT OF CASH FLOWS</b>			
<b>Sources of Cash:</b>			
Income from Operations	-1,319,345	-3,225,366	2,689,649
Net NonOperating Income	12,492,025	15,503,079	7,997,546
<b>Items Not Affecting Working Capital:</b>			
Depreciation	8,082,083	7,876,310	8,046,630
Amortization			
Other	-12,408,969	-4,008,148	-550,073
Long Term Debt Proceeds	16,000,000	0	0
<b>Total Sources of Cash</b>	<b>22,845,794</b>	<b>16,145,874</b>	<b>18,183,752</b>
<b>Uses of Cash:</b>			
Change in Working Capital, Excluding Current Portion of Debt	-16,238,927	17,916,273	-5,675,782
Additions to Property, Plant & Equipment, net	8,810,827	1,249,146	16,801,530
Long Term Debt Principal Repayments	5,764,319	4,282,047	3,732,241
<b>Total Uses of Cash</b>	<b>(1,663,781)</b>	<b>23,447,466</b>	<b>14,857,989</b>
Cash Provided (Used)	24,509,574	(7,301,592)	3,325,763
Cash Balance, beginning of period	57,612,708	82,122,282	74,820,691
<b>Cash Balance, end of period</b>	<b>82,122,282</b>	<b>74,820,691</b>	<b>78,146,454</b>
<b>Summary of Cash and Investments</b>			
Operating Cash	27,956,469	10,879,649	12,569,298
Board Designated Assets	54,165,813	63,941,042	65,577,155
<b>Total</b>	<b>82,122,282</b>	<b>74,820,691</b>	<b>78,146,453</b>

# Porter Hospital

# Porter Hospital: Income Statement

	PH				
	ACT2019	ACT2020	ACT2021 Projected	BUD2021	BUD2022
<b>SUMMARY INCOME STATEMENT</b>					
Patient Revenue	168,352,774	155,312,236	168,757,676	170,761,542	187,856,971
Deductions	99,217,341	95,576,348	102,184,833	102,130,686	114,405,930
<b>Net Patient Service Revenue</b>	<b>69,135,434</b>	<b>59,735,888</b>	<b>66,572,843</b>	<b>68,630,855</b>	<b>73,451,041</b>
FPP + OCV Revenue	15,825,681	17,736,839	19,645,584	21,179,700	20,716,994
Other Revenue	6,393,328	12,371,388	10,117,146	6,907,780	6,208,817
<b>TOTAL UNRESTRICTED REVENUE &amp; OTHER</b>	<b>91,354,443</b>	<b>89,844,115</b>	<b>96,335,573</b>	<b>96,718,336</b>	<b>100,376,851</b>
Salaries	42,710,708	43,626,173	46,048,422	45,490,910	46,611,430
Benefits	10,219,099	9,552,754	12,017,757	11,787,814	11,966,970
Other Expense	26,116,593	25,598,115	27,532,193	27,168,644	28,333,656
Depreciation	2,864,387	2,956,128	2,811,748	3,096,378	3,133,013
Provider Tax	4,738,388	4,437,345	5,440,728	4,799,727	5,170,719
<b>TOTAL EXPENSES</b>	<b>86,649,174</b>	<b>86,170,515</b>	<b>93,850,848</b>	<b>92,343,473</b>	<b>95,215,788</b>
<b>NET INCOME (LOSS) FROM OPERATIONS</b>	<b>4,705,269</b>	<b>3,673,600</b>	<b>2,484,725</b>	<b>4,374,863</b>	<b>5,161,064</b>
Net Income %	5.2%	4.1%	2.6%	4.5%	5.1%
Non Operating Revenue (Expense)	698,021	217,041	306,595	639,746	777,936
<b>Excess (Deficiency) Of Revenues Over Expenses</b>	<b>5,403,289</b>	<b>3,890,640</b>	<b>2,791,319</b>	<b>5,014,609</b>	<b>5,939,000</b>
Other Non Operating Gain / (Loss)	-	-	-	-	-
<b>INCREASE/(DECREASE) UNRESTRICTED NET ASSET</b>	<b>5,403,289</b>	<b>3,890,640</b>	<b>2,791,319</b>	<b>5,014,609</b>	<b>5,939,000</b>

# Porter Hospital: Balance Sheet – Assets

	PH				
	ACT2019	ACT2020	ACT2021 Projected	BUD2021	BUD2022
<b>SUMMARY BALANCE SHEET</b>					
<b>CURRENT ASSETS</b>					
CASH & INVESTMENTS	29,491,702	37,964,775	27,314,985	22,244,548	28,203,184
PATIENT ACCOUNTS RECEIVABLE, GROSS	24,863,929	31,002,614	26,625,303	11,810,703	26,625,303
LESS: ALLOWANCE FOR UNCOLLECTIBLE ACCTS DUE FROM THIRD PARTIES	(13,370,425)	(17,701,548)	(15,797,343)	-	(15,797,343)
ACO RISK RESERVE/SETTLEMENT RECEIVABLE	963,174	930,991	2,847,586	-	2,847,586
OTHER CURRENT ASSETS	-	-	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>46,358,590</b>	<b>56,745,818</b>	<b>44,443,447</b>	<b>38,964,388</b>	<b>45,331,645</b>
<b>UNRESTRICTED FUNDED DEPRECIATION</b>	<b>-</b>	<b>-</b>	<b>10,651,586</b>	<b>11,559,437</b>	<b>9,023,594</b>
ESCROWED BOND FUNDS	-	-	-	-	-
RESTRICTED OTHER BOARD DESIGNATED ASSETS	5,517,237	5,882,294	5,945,539	-	5,945,539
<b>TOTAL BOARD DESIGNATED ASSETS</b>	<b>5,517,237</b>	<b>5,882,294</b>	<b>16,597,125</b>	<b>11,559,437</b>	<b>14,969,133</b>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>					
LAND, BUILDINGS & IMPROVEMENTS	29,669,227	29,874,755	30,117,843	17,438,754	32,596,327
CONSTRUCTION IN PROGRESS	149,981	575,762	984,635	-	984,635
MAJOR MOVABLE EQUIPMENT	22,777,810	23,526,433	23,903,884	-	25,871,003
FIXED EQUIPMENT	3,335,552	3,335,552	3,335,552	-	3,610,045
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>55,932,570</b>	<b>57,312,502</b>	<b>58,341,914</b>	<b>17,438,754</b>	<b>63,062,009</b>
<b>LESS: ACCUMULATED DEPRECIATION</b>					
LAND, BUILDINGS & IMPROVEMENTS	(17,534,271)	(18,846,570)	(20,149,971)	-	(21,604,854)
EQUIPMENT - FIXED	(3,151,228)	(3,199,983)	(3,317,784)	-	(3,712,404)
EQUIPMENT - MAJOR MOVEABLE	(17,197,911)	(18,533,560)	(19,924,107)	-	(21,362,683)
<b>TOTAL ACCUMULATED DEPRECIATION</b>	<b>(37,883,411)</b>	<b>(40,580,113)</b>	<b>(43,391,861)</b>	<b>-</b>	<b>(46,679,941)</b>
Leased PPE Net CVMC					
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>18,049,160</b>	<b>16,732,389</b>	<b>14,950,053</b>	<b>17,438,754</b>	<b>16,382,068</b>
<b>OTHER LONG-TERM ASSETS</b>	<b>1,106,474</b>	<b>2,091,015</b>	<b>1,690,071</b>	<b>4,962,586</b>	<b>1,690,071</b>
<b>TOTAL ASSETS</b>	<b>71,031,461</b>	<b>81,451,516</b>	<b>77,680,696</b>	<b>72,925,165</b>	<b>78,372,918</b>

# Porter Hospital: Balance Sheet – Liabilities and Fund Balance

	PH				
	ACT2019	ACT2020	ACT2021 Projected	BUD2021	BUD2022
<b>SUMMARY BALANCE SHEET</b>					
CURRENT LIABILITIES					
ACCOUNTS PAYABLE	1,663,951	2,071,859	633,280	3,539,134	895,301
SALARIES, WAGES AND PAYROLL TAXES PAYABLE	5,264,274	6,642,665	7,011,863	3,877,188	7,011,863
ESTIMATED THIRD-PARTY SETTLEMENTS	-	4,074,964	-	-	-
OTHER CURRENT LIABILITIES	4,312,720	4,876,745	5,292,158	4,817,021	5,292,158
CURRENT PORTION OF LONG-TERM DEBT	548,125	534,886	550,331	-	566,221
ACO RISK RESERVES/SETTLEMENT PAYABLE	2,159,008	(0)	2,536,650	-	-
CURRENT LIABILITIES COVID-19	-	2,029,447	2,405,928	1,003,704	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>13,948,077</b>	<b>20,230,565</b>	<b>18,430,210</b>	<b>13,237,047</b>	<b>13,765,544</b>
LONG-TERM DEBT					
BONDS & MORTGAGES PAYABLE	10,097,273	9,547,480	8,981,705	8,919,242	8,399,592
CAPITAL LEASE OBLIGATIONS	-	-	-	-	-
OTHER LONG-TERM DEBT	-	-	-	-	-
<b>TOTAL LONG-TERM DEBT</b>	<b>10,097,273</b>	<b>9,547,480</b>	<b>8,981,705</b>	<b>8,919,242</b>	<b>8,399,592</b>
OTHER NONCURRENT LIABILITIES	7,257,995	6,625,489	5,556,327	6,560,207	5,556,326
<b>TOTAL LIABILITIES</b>	<b>31,303,345</b>	<b>36,403,534</b>	<b>32,968,241</b>	<b>28,716,496</b>	<b>27,721,463</b>
FUND BALANCE	39,728,116	45,047,982	44,712,455	44,208,669	50,651,455
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>71,031,461</b>	<b>81,451,516</b>	<b>77,680,696</b>	<b>72,925,165</b>	<b>78,372,918</b>

# Porter Hospital: Cash Flow Statement

	PH		
	ACT2020	ACT2021 Projected	BUD2022
<b>STATEMENT OF CASH FLOWS</b>			
<b>Sources of Cash:</b>			
Income from Operations	3,673,600	2,484,725	5,161,064
Net NonOperating Income	217,041	306,595	777,936
Items Not Affecting Working Capital:			
Depreciation	2,956,128	2,811,748	3,133,013
Amortization			
Other	-566,117	-3,842,865	15,891
Long Term Debt Proceeds	0	0	0
<b>Total Sources of Cash</b>	<b>6,280,651</b>	<b>1,760,202</b>	<b>9,087,904</b>
<b>Uses of Cash:</b>			
Change in Working Capital, Excluding Current Portion of Debt	-4,381,572	163,218	4,680,556
Additions to Property, Plant & Equipment, net	1,639,357	1,029,412	4,565,028
Long Term Debt Principal Repayments	549,793	565,775	582,112
<b>Total Uses of Cash</b>	<b>(2,192,421)</b>	<b>1,758,405</b>	<b>9,827,697</b>
Cash Provided (Used)	8,473,072	1,797	(739,793)
Cash Balance, beginning of period	29,491,702	37,964,775	37,966,571
<b>Cash Balance, end of period</b>	<b>37,964,775</b>	<b>37,966,572</b>	<b>37,226,778</b>
<b>Summary of Cash and Investments</b>			
Operating Cash	37,964,775	27,314,985	28,203,184
Board Designated Assets	0	10,651,586	9,023,594
<b>Total</b>	<b>37,964,775</b>	<b>37,966,571</b>	<b>37,226,778</b>